

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of

Long-Term Number Portability Tariff Filings

Bell Atlantic Telephone Companies,  
Tariff F.C.C. No. 1, Transmittal 1114

NYNEX Telephone Companies,  
Tariff F.C.C. No. 1, Transmittal 540

CC Docket No. 95-116

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**RESPONSE OF BELL ATLANTIC**

AT&T has once again recycled the second-hand prose of its generic petition against exchange carrier number portability tariffs without regard to what was actually in Bell Atlantic's<sup>1</sup> query tariff submission. Although logistical necessities required the Commission to suspend this tariff before Bell Atlantic had an opportunity to respond to AT&T, Bell Atlantic is filing this response in order to correct AT&T's mistakes or misrepresentations, whichever they may be.

AT&T apparently did not bother to read Bell Atlantic's transmittal very carefully before drafting its petition. First, AT&T says that "Bell Atlantic has claimed OSS costs that the Commission's orders make clear are not eligible for recovery in LNP tariffs."<sup>2</sup> The only OSS costs Bell Atlantic seeks to recover through these rates, however, are the costs of two OSSs that

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<sup>1</sup> The Bell Atlantic telephone companies are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company and New England Telephone and Telegraph Company.

<sup>2</sup> Petition at 4.

the Commission has explicitly found *are* recoverable,<sup>3</sup> “the systems for uploading and downloading LRN information to and from the regional Number Portability Administration Centers.”<sup>4</sup> Bell Atlantic is not seeking recovery of the costs of its other OSS modifications, because those modifications do not support Bell Atlantic’s query service. Second, AT&T says that Bell Atlantic “improperly calculated its tax recovery” as it had in its surcharge tariff filing, but ignores the fact that Bell Atlantic corrected that error and that the tax costs are now correctly labeled in both filings.<sup>5</sup> The Commission apparently was satisfied with this correction, as it did not include this as one of the issues it wanted to investigate.<sup>6</sup>

AT&T argues that Bell Atlantic incorrectly calculated its depreciation costs, an observation with which Bell Atlantic agrees. AT&T does not acknowledge that Bell Atlantic promptly filed to correct this error.<sup>7</sup>

Finally, AT&T objects to what it calls Bell Atlantic’s “overhead.”<sup>8</sup> The fact is that Bell Atlantic used the same incremental overhead factor in this filing as it did in its surcharge tariff filing, to which AT&T did not object. However, what AT&T really seems to be complaining about is the fact that Bell Atlantic seeks any recovery at all beyond its bare incremental costs. The Commission instructed exchange carriers to tariff query services as new services under its

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<sup>3</sup> *Cost Classification Order* ¶ 14.

<sup>4</sup> D&J at 14-15

<sup>5</sup> AT&T also repeats its complaint about certain advancement costs (Petition at 4), to which Bell Atlantic already responded fully in its opposition to AT&T petition against Bell Atlantic’s surcharge tariff. The Commission apparently was satisfied with this explanation, as it did not include this as one of the issues it wanted to investigate. Memorandum Opinion and Order ¶ 4 (Mar. 16, 1999).


<sup>6</sup> Memorandum Opinion and Order ¶ 4 (Mar. 16, 1999).

<sup>7</sup> Bell Atlantic Application for Special Permission no. 336 and NYNEX Application for Special Permission no. 235 (Mar. 16, 1999).

<sup>8</sup> Petition at 5-6.

price cap rules,<sup>9</sup> and new services may be priced above incremental cost. The cost-to-rate ratio for these services — .67 — is the same as Bell Atlantic used for the similar 800 database service<sup>10</sup> and is well within the normal range.<sup>11</sup> If the Commission requires Bell Atlantic to offer these services at incremental cost, it will be very difficult for other providers to offer similar services in competition with Bell Atlantic.<sup>12</sup>

Respectfully submitted,

  
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 telephone companies

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<sup>9</sup> *Cost Classification Order* ¶ 47 (“we require price cap LECs to treat this charge as a new service within the meaning of section 61.49(g) of the Commission’s Rules”).

<sup>10</sup> Bell Atlantic transmittal 560 (March 1, 1993).

<sup>11</sup> Recent Bell Atlantic new service filings showed cost-to-rate ratios of .72 (CCS gateway service, transmittal 1027 (Feb. 3, 1998)), .36 to .90 (intelligent customer assurance network, transmittal 1039 (April 1, 1998)), .79 (government emergency telecommunications service alternate carrier routing, transmittal 951 (March 17, 1999)) and .61 (Internet protocol routing service, transmittal 855 (Feb. 26, 1996)).

<sup>12</sup> Nothing in the Commission’s rules or in the *Third Report and Order* requires such an anticompetitive result. The statement in section 52.33(a)(2) that exchange carriers are allowed to recover through these tariffs their “carrier-specific costs directly related to providing long-term number portability that the incumbent local exchange carrier incurs to provide long-term number portability query service to carriers” merely distinguishes between the costs to be recovered through the surcharge and query service rates and prevents the carrier from recovering other costs. It does not require that the rate be set equal to cost.